

Bulletin



MAKING SAFETY A WAY OF LIFE

Thanks largely to the work of teams like this one, SP is making dramatic improvements in safety.

Members of the Tucson Operating Department team are, from left, Conductor J.E. Critchley; Engineer H.K. Zappia, team leader; Engineer Ken Kroeger, facilitator; Engineer J.A. Slade; Conductor M.G. Hopkins and Engineer Stewart Ekstrom. The safety story begins on page 10.



Dear SP Employee

Southern Pacific Bulletin

Volume 79, Number 2
June 1995

Sometimes a single little incident can say more than 10,000 words or pictures could ever say. One such incident happened on a recent inspection trip I took on the west side of the system. On that trip, by the way, I got to meet more members of the SP family and it just confirmed what I already knew: You're some of the best railroaders in the business.

But back to that incident: We were on a two-car inspection train and, as most of you know, such trains traditionally get the right-of-way over other traffic. On some railroads, that's a courtesy extended by the field operating people; on others, it's an order from "on high."

Whatever, we broke tradition by taking sidings to let freights go by — and it stirred quite a reaction. Many of the train crew members came up to me later and said they really appreciated us going "in the hole" (and that they were sure surprised!).

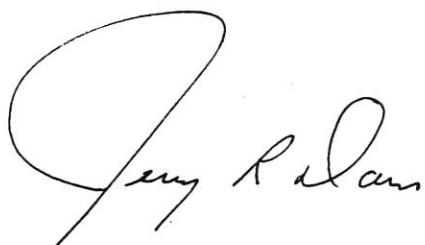
I just told them that the way I look at it, an inspection train doesn't give SP a dollar of revenue, so why in the world should one force a 100-car revenue freight train into a siding? There were no arguments on that score.

The episode was no big deal — and certainly no big deal on my part — but it did give us all a reminder of what we're trying to do on this railroad: Serve our customers by keeping their freight moving.

The customer is the only one who deserves "big shot" treatment on our railroad.

Sitting in a siding, by the way, is a good time to reflect a little about just how many people have to do their jobs well if our freight trains are to keep moving. For instance, just think about a Los Angeles to Chicago intermodal train and about the many SP employees who have something to do with that train making its run safely and on time. There are the intermodal terminal people who load the train and get it out on time, the train and engine crews who operate it, the dispatchers who guide its movements, the track people who maintain the track and roadbed, the signal people who play such an important role, the carmen who check the train at inspection points — and countless others, many of whom never even see a train in the course of their daily work but are nevertheless vital to SP's overall service performance.

I'm happy to say we're doing better on our service, too. From a low point this past winter, we started to see improvement in the spring. There are a lot of reasons for that, including the new locomotive power and the hundreds of train and engine employees we've hired in the past six months. But the primary reason is that you are doing a heck of a fine job and I want you to know that, speaking on behalf of our customers who pay the bills and for myself personally, we appreciate it very much.



Jerry R. Davis

*Chairman and Chief Executive Officer
SP Lines*

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Southern Pacific is an equal opportunity/affirmative action employer.

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Southern Pacific Lines' mission is to anticipate and satisfy the requirements of its customers for highly responsive and cost-effective transportation and distribution services.

EEO Policy Gets New Emphasis

Southern Pacific's long-established Equal Employment Opportunity policy has been revised with even stronger language and a new point of contact for employees who feel they have a grievance.

The revised statement says SP will not tolerate discrimination or harassment and that the Vice President of Human Resources may take whatever corrective action is deemed necessary, including disciplining or discharging violators of the policy.

"It is necessary that each employee understands the importance of the program and his or her individual responsibility to contribute toward its fulfillment," SP Lines Chairman and CEO Jerry Davis says in the policy statement, which is being distributed in poster form to go on bulletin boards.

"The provision allowing for dismissal is stronger than the previous statement and should leave no doubt in anyone's mind that SP views these matters seriously," said Linda Woodard, Manager of Equal Employment Opportunity.

Woodard said employees who believe they have been discriminated against should contact her at (415)541-2629 or discuss the problem with the appropriate officer, usually the department head. An employee who believes that she or he has been subjected to offensive sexual behavior should call Woodard or the Director of Personnel, Len Chapman, at (415)541-2623.

An additional contact is now available for employees who don't wish to raise the issue with their supervisor or the Personnel Department,



Linda Woodard

EQUAL OPPORTUNITY POLICY

Continued changes in the economy, competitive pressures in the railroad industry, and developments in technology continue to require Southern Pacific Lines to make modifications in physical plants and adjustments in employment levels. These changes include centralization of facilities and continued work force adjustments in craft, supervisory and management job categories. As a consequence, employment of new people and advancement of those currently employed may be temporarily limited. Southern Pacific Lines is proud of the progress that it has achieved in the areas of affirmative action and equal employment opportunity. These achievements are the result of both the policy and practice of nondiscrimination. It is the stated policy of Southern Pacific Lines that all employees and applicants shall receive equal consideration and treatment. All recruitment, hiring, advancement, compensation, training and other terms and conditions of employment will be administered without regard to race, color, religion, national origin, sexual orientation, age, sex, marital status, medical condition (cancer-related, disability, Vietnam or disabled veterans status).

Southern Pacific Lines pledges to maintain a program of Equal Employment Opportunity that is aimed at assuring that the work place is free from all forms of unlawful discrimination and harassment. Moreover, Southern Pacific Lines understands the importance of the program and his or her individual responsibility to contribute toward its fulfillment. In particular, supervisors and managers have the responsibility for the successful implementation of these goals. Southern Pacific Lines' Equal Employment Opportunity Policy is periodically updated and revised. Inquiries relating to the administration of this policy should be directed to the Vice-President, Human Resources. Issues related to benefit programs for Agreement and Non-Agreement employees are contained in the Summary Plan Description for each applicable plan.

J. R. Davis, Chairman and CEO
San Francisco



RESPONSIBILITY - IMPLEMENTATION

The Vice President, Human Resources has overall responsibility for Southern Pacific Lines' Equal Employment Opportunity Program. The Director of Personnel is responsible for Equal Opportunity Programs and ensuring that the programs are effectively implemented as well as overseeing the investigation of employee complaints of alleged discrimination. Vice Presidents of Southern Pacific Lines are responsible for implementing the established Company Equal Employment Opportunity policies and procedures within their respective departments.

Employees who believe they have been discriminated against should contact the Manager of Equal Opportunity or discuss the problem with the appropriate officer(s), usually their department head, or, if not possible to discuss the problem with a supervisor or department, or if the discussion does not resolve the problem, an employee should contact the Manager of Equal Opportunity, San Francisco, (415) 541-2629. If employees do not wish to raise the issue with their supervisor or with the Manager of Equal Opportunity, employees may call Southern Pacific Lines Corporate Compliance Program which is designed to ensure compliance with various state and federal laws. Employees may contact the Company, on a confidential basis, at (800) 925-4705 or Company line (8) 541-2338.

The Manager of Equal Opportunity will hear the complaint and, if requested, provide an employee with an Internal Complaint Form. After the completed form is returned, a confidential investigation will be conducted after which an analysis will be discussed with the employee. The establishment of the internal complaint procedure is not intended to supersede regular grievance procedures or to prohibit any employee from filing a complaint with an outside agency.

SEXUAL HARASSMENT IS ILLEGAL

It is the policy of Southern Pacific Lines to maintain a work environment free of sexual harassment. Conduct in violation of this policy by employees from companies that we are transacting business with, or, if possible to discuss the problem with a supervisor or department, or if the discussion does not resolve the problem, an employee should contact the Manager of Equal Opportunity or discuss the problem with the appropriate officer(s), usually their department head, or, if not possible to discuss the problem with a supervisor or department, or if the discussion does not resolve the problem, an employee should contact the Manager of Equal Opportunity, San Francisco, (415) 541-2629. If employees do not wish to raise the issue with their supervisor or with the Manager of Equal Opportunity, employees may call Southern Pacific Lines Corporate Compliance Program which is designed to ensure compliance with various state and federal laws. Employees may contact the Company, on a confidential basis, at (800) 925-4705 or Company line (8) 541-2338.

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VERBAL HARASSMENT - DEROGATORY COMMENTS OR SLURS OF A SEXUAL OR SEXUALLY SUGGESTIVE NATURE.

PHYSICAL HARASSMENT - ANY PHYSICAL INTERFERENCE WITH NORMAL WORK OR MOVEMENT WHEN DIRECTED AT AN INDIVIDUAL.

VISUAL HARASSMENT - DEROGATORY POSTERS, PINUPS AND CALENDARS, (BOTH MALE AND FEMALE); PICTURES, DRAWINGS OF A SEXUAL NATURE, SEXUALLY EXPLICIT MAGAZINES DISPLAYED IN COMPANY OFFICES, WORK AREAS OR TRANSMITTING ANY OF THE ABOVE SUBJECT MATTER BY USE OF COMPUTERS, PCS, PROPS, OR FAX MACHINES.

SEXUAL FAVORS - EXAMPLES: Displaying sexual pictures, writings or objects, obscene letters or invitations, sexually oriented gestures, unwanted love letters or notes. The above examples of VERBAL, PHYSICAL AND VISUAL sexual harassment create an intimidating, hostile or offensive working environment and are prohibited by law and Company Policy.

UNWANTED VERBAL OR PHYSICAL SEXUAL ADVANCES WHICH CONDITION AN EMPLOYMENT BENEFIT UPON AN EXCHANGE OF SEXUAL FAVORS.

EXAMPLES: Continued requests for date; any threat of demotion, termination, promise to promote, etc., if requested sexual favors are or are not given; making or threatening reprimands after a negative response to sexual advances; creating an intimidating, hostile or offensive working environment by such conduct.

The examples listed above with the definition of sexual harassment **ARE NOT MEANT** to be a complete list of objectionable behaviors. "UNWELCOME" sexual conduct in the work place **WILL NOT BE TOLERATED**, and it should be noted by the employee that such conduct is also "unlawful". Employees must understand that the "intensity" of the harasser is irrelevant; the impact of the person who is being harassed is important. Employment conduct, whether intentional or unintentional, which results in sexual harassment is viewed as "unwelcome" by the Equal Employment Opportunity Commission and will result in prompt disciplinary action. Any employee who believes that she or he has been subjected to offensive sexual behavior is encouraged to report the matter and should immediately report the conduct to the Manager of Equal Opportunity (415-541-2629) or to the Director of Personnel (415-541-2623). A confidential investigation of any complaint will be undertaken immediately. Any threatening, reprimands, intimidation or retaliation against any employee who has made a complaint of sexual harassment or employment discrimination **WILL NOT BE TOLERATED**.

SEX DISCRIMINATION IS ILLEGAL

It is the policy of Southern Pacific Lines that all jobs are open to individuals of both sexes and no gender preference exists in hiring, promotion or employment advertising. In addition, the Company has no job categories for which there are bona fide occupational qualifications for gender.

2. Pregnancy/Disability Leave Reasonable leave of absence are given to employees who have disabilities caused or contributed to by pregnancy, childbirth, or by a related medical condition. Such disabilities are treated the same as other disabilities caused or contributed to by any other medical condition. Leaves of absence and subsequent return to duty will be given in accordance with state and federal laws. This policy is subject to all applicable collective bargaining provisions and other applicable law(s).

RACE / RELIGIOUS / AGE / SEXUAL ORIENTATION / NATIONAL ORIGIN AND DISABILITY DISCRIMINATION ARE ILLEGAL

It is the policy of Southern Pacific Lines to provide equal opportunity in employment and to maintain a work environment free of discrimination and harassment based on race, religion, age, sexual orientation, or national origin and disability.

GUIDELINES FOR THE DISABLED AND VIETNAM ERA / SPECIAL DISABLED VETERANS

All applicants and employees who believe themselves covered by the Rehabilitation Act of 1973, the Vietnam-Era Veterans Readjustment Act of 1974, or the Americans With Disabilities Act of 1990 are invited to identify themselves to the Company. Covered individuals are informed that submission of this information is voluntary and refusal to provide it will not subject one to discharge or disciplinary treatment. The information obtained shall be kept confidential, except:

- Supervisors and managers may be informed regarding restrictions on the work or duties of persons with disabilities and regarding necessary accommodations; and
- First aid and safety personnel may be informed, when and to the extent appropriate; and
- Government officials investigating compliance with the Rehabilitation Act or the Americans with Disabilities Act may be informed.

THE VICE PRESIDENT OF HUMAN RESOURCES HAS OVERALL RESPONSIBILITY TO INVESTIGATE ANY REPORTED VIOLATION OF THIS POLICY AND IS AUTHORIZED TO TAKE WHATEVER CORRECTIVE ACTION AS DEEMED NECESSARY, INCLUDING DISCIPLINING OR DISCHARGING ANY INDIVIDUAL WHO IS BELIEVED TO HAVE VIOLATED THE POLICY. SOUTHERN PACIFIC DOES NOT TOLERATE DISCRIMINATION OR HARASSMENT OR VIOLATION OF THIS POLICY AND WILL TAKE APPROPRIATE DISCIPLINARY ACTION WHENEVER NECESSARY. ANY INDIVIDUAL WHO ENGAGES IN SUCH CONDUCT CONTRARY TO THIS POLICY MAY BE PERSONALLY LIABLE IN ANY LEGAL ACTION BROUGHT AGAINST HIM OR HER. THIS POLICY APPLIES TO ALL EMPLOYEES OF THE COMPANY, INCLUDING AGREEMENT, EXEMPT, AND OFFICERS.

THE COMPANY RECOGNIZES AT THE ISSUE OF WHETHER SEXUAL HARASSMENT OR EMPLOYMENT DISCRIMINATION OCCURRED, BASED ON ALL THE EVIDENCE, THE COMPANY ALSO RECOGNIZES THAT FALSE ACCUSATIONS OF SERIOUS EFFECTS ON INNOCENT EMPLOYEES. WE EXPECT ALL EMPLOYEES TO ACT IN A MANNER TO ESTABLISH A SAFE WORKING ENVIRONMENT FREE OF DISCRIMINATION.

Woodard said: "Employees may call the reporting phone number for Southern Pacific Lines' Corporate Compliance

Program. The phone number allows calls to be made anonymously and is part of the company's program designed to assist in SP Lines' compliance with various state and federal laws. The number is (800)925-4705 or company line (8)541-2338."

AC's Open New Loco

Pulling an SP coal train through the Rockies takes nine DC-traction locomotives; five AC-traction units can do it.

Many older DC locomotives need an overhaul every half-million miles; AC's can go a million miles.

A standard diesel locomotive can generate about 100,000 pounds of tractive effort, or pulling power; the AC practically doubles that.

Aside from all that, the AC cab is a heck of a lot more comfortable to work in and engineers no longer have to scan an array of gauges — they get the information they need from two computer screens right in front of them. There's another computer screen on the conductor's side of the cab.

"The AC's definitely open up a new locomotive era for SP," said Jim

Wagner, Chief Mechanical Officer. "The change from direct current to alternating current technology provides the opportunity to get more propulsion, at less expense." A



Bob Sutherland, General Manager - Locomotive Management, tries out the engineer's console.



Jim Wagner, Chief Mechanical Officer, left, and Regional Purchasing Manager Jim Davis, look over one of the new units.

—Photos: Ray Tyler

principal reason for that saving, he said, is that AC's require less maintenance.

SP is acquiring 282 AC locomotives from General Electric this year, with approximately 220 scheduled to be on the property by next month.

"We are putting them into our heavy haul coal service, where we can make the best use of their performance capabilities," said Bob Sutherland, General Manager-Locomotive Management. The 5-for-9 replacement ratio of AC's to DC's "enables us to take some of our most efficient, high reliability DC locomotives and put them into time-sensitive manifest service." Beyond that, Sutherland said, this "cascading" effect will let SP retire some old high-maintenance, high-fuel use units at the bottom of the power pool.

The AC is the first new locomotive technology since the diesel started replacing steam engines back in the 1930s and '40s.

A list of the AC's features reads something like an ad for a luxury automobile: "Electronic fuel injection, enhanced

comotive Era For SP

microprocessor controls, integrated function computer with display screens and high impact fuel tank."

But it's what the AC can do with less maintenance than DC's that has led railroads to order them by the hundreds.

The key element is the traction motor. In DC motor operation, a rotating cylinder has to touch electric contacts called brushes that must be replaced at intervals, which takes time and shop space, Wagner explained.

AC motors don't need brushes; instead, as the electric current rapidly alternates its flow direction, magnets attract and repel a cylinder, causing it to rotate.

Additionally, the AC has electronic air brakes, a computerized system that does away with the network of heavy valves and pipes involved in braking control on standard diesels.

"You get greater track adhesion because of the HiAd Truck (wheel assembly), which carries weight lower and spreads it over the track," said Gary

Putman, Mechanical Training Officer at Roseville who has been training SP mechanical and operating employees on the AC unit. That introductory training is done at a computer screen, using a software program that takes a trainee on a visual

"walkaround" of the locomotive and right through detailed explanations of its many functions.



A new AC in Denver's North Yard.

Despite the extent of the computer course, trainees usually absorb the instruction in just a few hours, Putman said.

Such training now is given at various locations around the system. It all started back in January with road foremen going to Denver for training by Doug Campbell, System Road Foreman of Engines.

less tricky for engineers. Ordinarily, when heavy tonnage trains, such as coal trains, descend grades the engineer must "hunt" for a particular brake position called a 10-pound set. The new feature, dubbed "the Campbell set," finds the setting automatically.

The AC also was designed to be more "user friendly" for train crews, with a North American "comfort cab," Wagner said. "It's air-conditioned, sound-proofed and a lot wider than the old units, which reduces clutter."

"Many features resulted from suggestions by train crews," Putman added. "For example, boarding steps are angled like a stairway and easier to climb than the straight-up-and-down ladder."

How do engineers like the AC? "I was impressed. I really liked the computer displays, which get rid of a lot of knobs and gauges," said Stanley Grishom, who operated the first AC to arrive on the system, in April, taking it from Kansas City to Herington where he is based. "I also liked the way it responded and pulled."



Gary Putman, right, Mechanical Training Officer at Roseville, and Electrician Lane White check out the AC computer training program.

In addition to his training role, Campbell devised an exclusive feature for SP's AC units that makes a tricky braking adjustment a bit

C R E W ' S C A U T I O N P R

- A N D E A R N

Locomotive Engineer J.D. Cockrell and Conductor C.R. Daw just didn't like what they saw up ahead on the Red Bank Bridge near Dunsmuir, Calif.

It was a fortunate feeling — because what they did prevented a costly derailment and, quite possibly, loss of life.

It also earned them a Chairman's Circle Award from a grateful company. Other award winners recently were Mike Irvine, Los Angeles Division Superintendent; Strategic Development Officers George Fetty and Royce Green of Monterey Park, and Track Foreman Antonio Martinez of the El Paso Division.

What Cockrell and Daw did on March 10 was stop their southbound intermodal train short of the bridge.

"It just didn't look right," Cockrell said last month after receiving his award from Tom Shurstad, Vice President and General Manager-Western Region, in a ceremony at Sacramento. "We spotted a heat kink in the rail on the bridge, but it looked different from the usual kind. So we stopped."

The train had been traveling under a track

restriction that called for 20 mph speed; ordinarily, it would have been going much faster.

After stopping, Cockrell contacted Maintenance of Way and said the bridge didn't look safe. He asked that it be inspected and authority given to proceed.

When inspectors arrived, they immediately took the bridge out of service.

Shortly after, "As we sat there waiting, we watched the bridge drop," Daw recalled. Heavy rains had apparently weakened the structure and caused one center support to fall away, dropping the span an estimated two feet.



Engineer J.D. Cockrell, left, and Conductor C.R. Daw with Mrs. Lyneada Daw. The award winners are wearing new jackets given by the Roseville Division.

—Jack Martin

"By their extraordinary attention to duty and the use of incredibly good judgment, these gentlemen prevented the loss of life or serious injury to themselves, not to mention the costs that would undoubtedly have been associated with an incident of this magnitude," Road Foreman of Engines G.A. Tausch wrote in recommending Cockrell and Daw for commendation.

Other awards, which consist of shares of SP Rail Corporation stock, a certificate of recognition and a letter of appreciation from the Chairman, went to:

EVENTS AND DISASTER

SAFETY AWARD

★ General Manager-Strategic Planning George Fetty and Director-Special Projects Royce Green for their work leading to sale of the Alameda Corridor. Chairman Jerry Davis cited their "tremendous effort" in the extensive negotiations, which culminated last December in the sale of SP's San Pedro line to the Ports of Los Angeles/Long Beach for \$235 million.

The corridor, to be used by SP and other railroads, will connect the ports with downtown Los Angeles railyards.

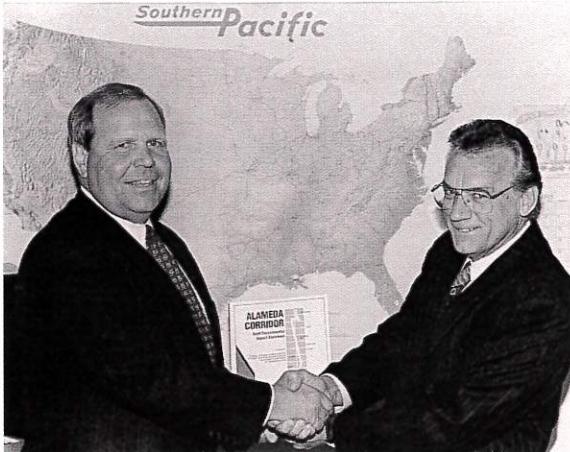
★ Mike Irvine, Los Angeles Division Superintendent, for achieving "exceptional results" in service improvement. "Mike is the only superintendent on the system who has

consistently posted on-time intermodal train departures 90% of the time," said Tom Shurstad.

"Even before the Focus train program started, he worked with his managers to put the process in place to depart all trains on-time at ICTF, LATC and City of Industry.

With the advent of the manifest Focus program, Mike's division has an on-time departure rate of more than 90%. It is through the direction and leadership of Mike Irvine that the Los Angeles Division is bringing

home exceptional results, which our customers have noticed."



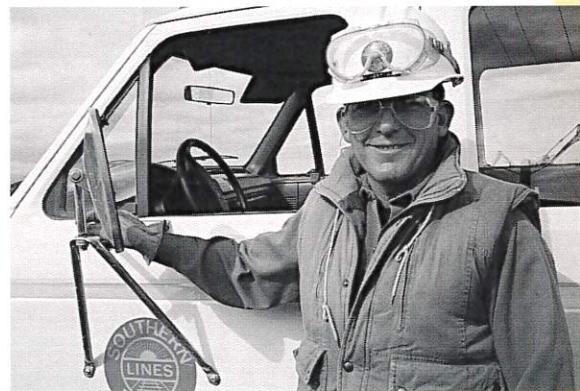
George Fetty and Royce Green - a deal well done.

—Dave Crammer

★ Track Foreman Antonio Martinez of the El Paso Division put his CPR training to fast and effective use when Brakeman Ron Deverse collapsed aboard a work train at Olga, Ariz. on Feb. 14.

The train had just finished unloading ballast and Deverse went back into the cab to get his suitcase, said Dave Wickersham, Western Region Maintenance of Way Engineer. When Deverse did not return, Engineer Mike Henschell went to look for him and found the brakeman lying unconscious and not breathing. Henschell radioed an emergency call to the dispatcher and alerted nearby workers.

Martinez, an Army Reserve sergeant who had recently trained in cardiopulmonary resuscitation, responded and began



Track Foreman Antonio Martinez



Los Angeles Division Superintendent Mike Irvine was presented his award by Chairman Jerry Davis, at left.

—Ray Tyler

resuscitative efforts. He quickly "got a pulse." Paramedics took Deverse to a hospital and he was later released.

Plastic Storage Facility Open

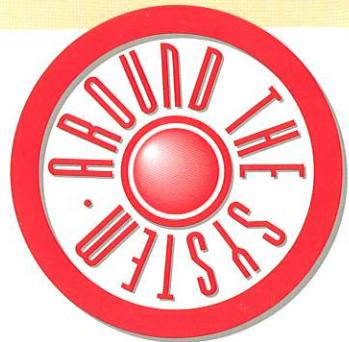
SP has opened a major storage facility for carloads of plastic pellets, the basic ingredient in products ranging from milk cartons to coat hangers. The approximately \$20 million facility at Dayton, Texas, near Houston, has about 2,200 car spots presently with another 800 to be completed later. The storage area was welcomed by shippers, who previously have had to put cars on sidings, industry tracks, or wherever space was available.

A LIFESAVER TOUR — Jolene Molitoris, head of the Federal Railroad Administration, recently took an SP-sponsored "Officer on the Train" tour in the Houston area and saw close-up the close calls many motorists have trying to "beat the train." The tour was part of Operation Lifesaver's continuing efforts to promote grade crossing safety. Police officers on the train would alert colleagues on the roads to offending drivers, who then would be pulled over and ticketed. With Molitoris are Locomotive Engineer T. Hollingshead and some Houston officers.

—Jim Johnson

Herington Yard Expansion Begins

A major expansion of the Herington, Kan., yard, which will add 49,000 feet of track and other improvements, is underway. The project is designed to relieve any congestion and car delay at Kansas City by allowing switching and blocking of eastbound trains for interchange at Kansas City. As a result, Kansas City is expected to become primarily a westbound yard. The \$8.5 million expansion is expected to be completed by the end of the year.



El Paso, Midwest Division Employees Win Citations

Two employees on the El Paso Division and one from the Midwest Division have earned Eagle Eye Awards for their alertness:

Conductor M.W. Wheeler of Tucson was working the Casa Grande Switcher on Jan. 15, and while walking to line a switch found a broken rail — at a spot where the track signal circuit was

not affected, so there was no red signal or track indication. Wheeler contacted the train dispatcher to arrange for protection for the broken rail and made a decision that trains could still operate over the rail. "Mr. Wheeler's willingness to accept the responsibility and make the decision that trains could still run over the broken rail saved delays to traffic and his

keen observation in finding the broken rail prevented a possibly costly derailment," said Division Superintendent Doug Wills in the citation.

Locomotive Engineer J.M. (Mike) Smith, also of Tucson, was another winner.

"While preparing the engine to consist on 1MBSMF at El Paso on Nov. 2, 1994, Mr. Smith

noticed a piece of flange broken off the right front wheel on the rear unit," Wills said. "His observation obviously avoided a serious derailment."

Conductor Dennis Smith of the SPCSL proved to have really exceptional eyesight, spotting a broken wheel on an ore hopper car that had escaped detection in three previous roll-by checks,

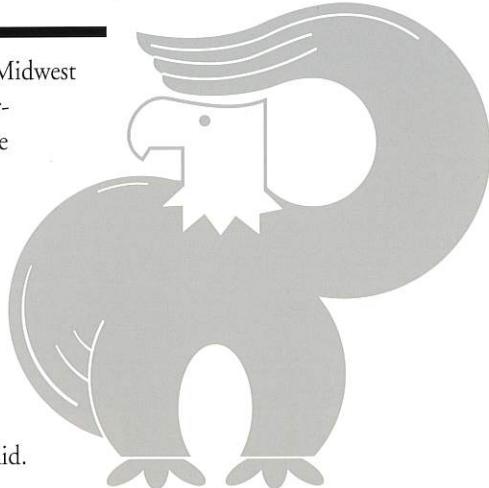


RAILROADER OF THE YEAR —
Edward L. Moyers, former
Chairman of Southern Pacific
Lines, holds the Railroader of
the Year Award he received in
March from Railway Age
magazine. His plaque read:
"For leading SP in its
comeback effort, capstone to a
career marked by hard work
and dedication to a single
goal: Success." With Moyers
are son, Paul, daughter,
Nancy, and wife, Helen.

SAFETY HONORS — Four members of SP's Engineering Department display awards they were given by the Texas Safety Association in Austin recently. From left are C.A. (Beau) Maida, Hearne Roadmaster, Heroism Award and Award of Honor for Hearne Roadmaster District for being injury-free in 1994; Walter Lastor, Hearne District, Award of Honor and Longevity Award for 40 years injury-free service; J.C. Moreaux, SP Manager of Safety; Gerald Vice, Schriever, La., Roadmaster District, Award of Honor and Longevity Award for 27 years injury-free service, and W.J. (Bill) Thibodeaux, Schriever Roadmaster, Award of Honor for the Schriever Roadmaster District, injury-free in 1994.



said Assistant Midwest Division Superintendent Mike Paras. "This car had already broken rails at three locations" before Smith found the defect, Paras said.



Be a Bulletin Byliner

The *Bulletin* wants to bring you news from all over the SP System, but we need your help. If you know of an event, activity, outstanding employee achievement or whatever you think might be of general interest to *Bulletin* readers, please let us know. You can pass along a tip, or submit an article and if we use it you'll get a byline. Just contact:

Jack Martin, SP Bulletin,
1 Market Plaza, Room 950,
San Francisco, CA 94105,
or call (415) 541-1656.

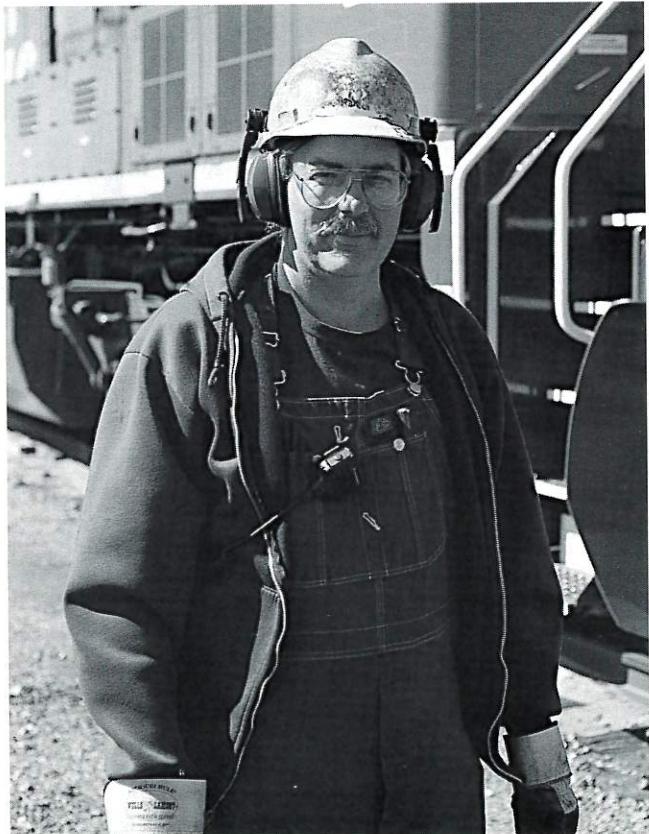
Locomotive Engineer Ed Baldwin, left, at the end of his final run to West Colton and a 45-year SP career, greeted by Los Angeles Division Superintendent Mike Irvine.



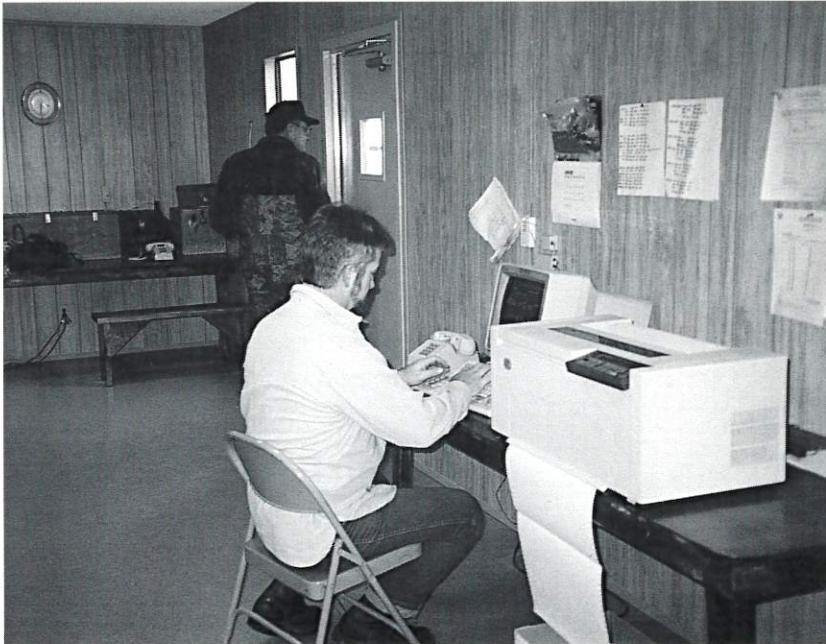
System SNAPSHOTS

Hostler Leland Fye beside one of the new AC units in Denver's North Yard.

— Ray Tyler



This is your SP family album - help us keep it filled! We'd like to see photos, color or black-and-white, of SP people on the job, individually or in small groups. Please send pictures along with full identifications, job titles, where the picture was taken and who took it to: System SnaPshots, SP Bulletin, 1 Market Plaza, Room 950, San Francisco, CA 94105



That's Switchman Tommy Lusinger at the computer in the Pine Bluff yard ready room; Switchman Jim Langrell is in background.

— Donald Case



Kathy Lewis (seated) and Heather Lue Sang, Regional Account Managers, Monterey Park.

— Liz Heim

We Want You to Be Safe'

By Jack Martin

Laborer R.A. Ortega was working on the R-7 rail gang near Canon City, Colo. when it happened. He was applying rail anchors and one of them suddenly flew up — straight at his eyes.

He could have suffered serious injury, even lost his sight. But he didn't. Instead, his safety glasses were badly bent. "Mr. Ortega did not sustain any injury due to the fact that he was in compliance with all safety rules," noted On Line, the Maintenance of Way & Engineering publication. It added that he was recommended for a "Wise Owl" award,

given to employees whose eye protection prevents injury.

At one time, this incident might have served merely as an isolated "good example" to cite in a routine safety presentation. Now, however, wearing

YOU SET A RECORD

Railroad workers posted their safest year in the history of the industry in 1994, the Federal Railroad Administration reported. On-duty employee injuries declined 15% and deaths 34%, compared with 1993. The number of injuries fell from 15,410 in 1993 to 13,080 last year and the injury rate per 200,000 employee hours worked went from 5.9 to 5.1, the lowest ever. The 31 deaths recorded in 1994 also was a new low and compares with 47 in the previous year.

Norfolk Southern won the E.H. Harriman Memorial Award for the best safety performance by a Class I railroad in 1994, with CSX second.

protective gear is the norm as employees and the company join forces to make working safely SOP on SP.

"There definitely is a new feeling about safety, more of a focus," said one switchman, whose comment was echoed by others.

While much of the new emphasis can be attributed to two safety evangelists, SP Lines Chairman and CEO Jerry Davis and Director of Safety Jim Bearden, employees themselves are the ones putting that emphasis into practice, spurred by safety committees that in turn are getting steadfast support from local officers.



Top performers in the Roseville Division's Safety Assessment received awards at a ceremony in Sacramento in May. Here, Assistant Division Mechanical Officer Bob Bagley proudly displays the plaque given to the Oakland Mechanical Department. Others, from left, are Shop Car Inspector Glenn Cereseto, Safety Car Foreman Gary Serda, and Division Mechanical Officer Bobby Parker.

— Jack Martin

Tucson Team is Tops

Once a month or so, when train crews pick up their orders at the Tucson yard office, "we're right there to talk with them," says Ken Kroeger. "It's all very casual, one-on-one conversation, and we talk about a variety of subjects." But all the subjects have a central theme: Work safe.

Kroeger, a locomotive engineer, is facilitator and former leader of the Tucson Operating Department Safety Team, which holds regular safety "blitzes" for employees, among other activities. Those activities make the team "one of the best, if not the best, on the system," said Director of Safety Jim Bearden.

"Reducing the number and severity of accidents and derailments and raising the morale of employees are the team's main goals and, in that regard, the statistics speak for themselves," Kroeger said, referring to an improved injury picture over the past several years. "In addition, we get many thank you's from employees during the safety blitzes and barbecues that we hold."

Kroeger and Team Leader Henry Zappia praised the support given by local officers, particularly Trainmaster Paul LoBello, as well as El Paso Division Superintendent Doug Wills. Lobello "has gone to bat for us time after time and has remained the one constant we can depend on," Kroeger said. "He attends our meetings whenever possible and participates in planning and implementing programs."

One device the team uses at blitzes is to post someone's Social Security number among a display of safety messages. "We also break the number up into three sections so people really have to scan the board in order to check the number. The winner gets a small prize, like a case of soft drinks."



Taking part in a safety "blitz" at Tucson are, from left, Conductor Tom Johnson, Engineer and Safety Team Leader Henry Zappia, Conductor Tim Craney (back to camera), Conductor Jim Critchley and Engineer Jim Slade.

—Jim Kelso

'We Want You to Be Safe'

Eugene's Maps Could Be Lifesavers

The tall timber and scenic mountains of Oregon make for a pretty picture — but a real challenge for emergency crews trying to find an SP train.

"We have had several medical emergencies on trains in remote areas in the past year, so we decided to make a map of the railroad from Eugene to Klamath Falls to help emergency responders find us," said Greg Boam, a conductor and chairman of the Eugene Safety Awareness Committee.

"That line goes through some very rugged country, where you see more elk than people, and a lot of rural departments don't know how to get to the trains."

The map is going out to fire departments and "we'll also send one to the dispatchers in Denver, who are the first point of contact in an emergency, so they can call the nearest department as indicated on the map."

Boam, a big, friendly type who rides a Harley motorcycle in his spare time, works closely with Joe Debbs, the safety "ombudsman" for the Roseville Division's 13 safety committees.

"The average committee has five to seven people and we try to get diversity in the membership, with representatives from different crafts and departments," said Debbs, who also is Legislative Representative for UTU Local 492. The range of safety committees' work is broad, including everything from spearheading yard clean-ups to arranging employee classes in first-aid.

Debbs' ombudsman post is unique on the system so far. "Don Seil (Division Superintendent), J.T. Jones, UTU State Legislative Representative, and I talked about the fact that someone was needed to facilitate the organization of the committees and advise them, and represent them at the division level. So we came up with the ombudsman concept."



Joe Debbs, left, and Greg Boam

Bearden, a veteran in the safety field, agrees that the railroad's approach to safety has changed. "There is more employee involvement in implementation of safety programs, whereas in previous years it was more management-driven. Now we have 83 safety committees on the system, which my department advises and supports. Some of the committees are just outstanding, others are not doing as well as they want to — but they will. The determination is out there."

That determination is evident in the numerous examples of outstanding employee safety performance, with many work groups going months or even years without injuries. But such success is hard to achieve without consistent company support for safety, employees say.

"We just need to know someone is supporting us," said Joe Debbs, a conductor at Roseville and the Roseville Division safety "Ombudsman." "We make a lot of sacrifices on our own, do a lot of work on our own time, but we don't mind that if we can see support at the local level and from top management. If you want people to perform, show them that you care."

Davis has preached precisely that message since he came to SP in February from CSX, where he also made safety the No. 1 priority. (CSX was Number 1 in safety among major railroads in the first quarter of 1995.)

Speaking to managers from throughout SP's system recently, Davis said, "We must sell

For Bearden, There is only one word: Safety

Jim Bearden clears away any doubt as to his mission the minute he steps up to speak at a meeting.

"Everybody look around, right now, and check the fire exits," he directs. After seeing enough craning necks to satisfy him he then asks: "Okay, now who has been trained in CPR (cardiopulmonary resuscitation), just in case somebody has a heart attack?"

Some hands go up and Bearden points to one individual: "Okay, you're my CPR coordinator. Please note the location of the other CPR people."

Just in case anyone is still wondering, Bearden is SP's Director of Safety.

"I admit it, I'm kind of an evangelist," he smiles. "But safety is such an important area. In the blink of an eye, someone can be injured, or even killed. On the other hand, if we all pay attention to our own safety and that of others, we can be the safest railroad in the country. In fact, Jerry Davis and other senior managers are looking for us to be just that in a few years, and win the Harriman Award."

Bearden and Safety Managers J.C. Moreaux, J.F. Wurster and G.D. Overton roam the railroad constantly to help implement the overall safety program and support local safety teams. "We have a 12-point program that emphasizes cross-functional, inter-departmental activity. Teamwork is very important."

Safety, Bearden summed up, "is the only business I know of where we can measure our success by our failures. That sounds contradictory, but I mean that we can look at injury figures and know precisely how effective we have been in our work."



Director of Safety Jim Bearden, right, presenting an award to Suisun District Roadmaster Bill Ward at the recent Roseville Division Safety Awards luncheon. The awards were given to various departments following the division Safety Assessment.

New Tackage Rights Would Expand SP

Access to grain originating areas and a boost for intermodal and auto traffic between Chicago and the West Coast would be partial results of SP's tackage and haulage rights agreement with Burlington Northern Inc. and Santa Fe Pacific Corp.

The agreement, announced in April, would be effective with completion of the BN/SF merger, which could occur by late summer. Upon reaching the accord, SP said it would not oppose the merger.

"The Southern Pacific will be able to be a grain railroad," said SP Lines Chairman and CEO Jerry Davis. "Today, we are mostly just a receiver and a bridge railroad for grain. However, access to Wichita, Amarillo, Lubbock and several short lines will enable us to originate this traffic."

SP will be able to transport grain directly to Houston and other Gulf ports and Mexico, Davis said. "Our California customers also will have single-lines access to Kansas grain."

Another part of the agreement would give SP tackage rights for through intermodal and automotive service on Santa Fe's high speed line between Hutchinson, Kan. and Chicago. "These tackage rights should enable SP to cut a minimum of eight hours off our transcontinental schedules. In addition, we'll be able to by-pass the congestion between Topeka and Kansas City by going directly from Hutchinson to Kansas City and then through Kansas City by the most direct route available. I view this as one of the key benefits from this agreement."

The agreement also gives SP-originated Colorado and Utah coal direct access to Texas, Gulf Coast and Mexico markets.

Here is a detailed rundown on provisions of the agreement:

SP will gain:

★ Tackage rights between Pueblo, Colo. and Stratford, Tex. over Santa Fe lines and between Dalhart and Fort Worth on BN lines, including access to all industries at Amarillo and access by haulage agreement to all industries at Plainview and Lubbock. In addition, SP will get a connection to the Seagraves, Whiteface & Lubbock Railroad Co. at Lubbock.

★ Tackage rights for overhead traffic between both Kansas City and Hutchinson and Fort Worth via Olathe and Cassoday, Kan. on the Santa Fe, including access to all industries at Wichita and access to the Central Kansas Railway at Wichita and the South Kansas & Oklahoma Railroad Inc. at Winfield, Kan.

★ Tackage rights over Santa Fe's line between Hutchinson and Chicago for overhead intermodal and automotive traffic.

★ Tackage rights on Santa Fe's line between Topeka and Kansas City for all traffic.

★ SP will retain its tackage rights over the BN line between Kansas City and Chicago.

★ SP will have the right to interchange intermodal traffic with the Toledo, Peoria and Western Railway Corp. at Lomax, Ill., and with other carriers at Streator, Ill. on the Santa Fe. SP also will be able to interchange traffic with the Illinois Central at Joliet and have access to the Kansas City Terminal Railroad at Kansas City.

★ SP also will be able to interchange all traffic with the TP&W at Bushnell, Ill., on the BN.

★ SP will gain access to all industries at Fort Madison, Iowa, and Galesburg, Ill.

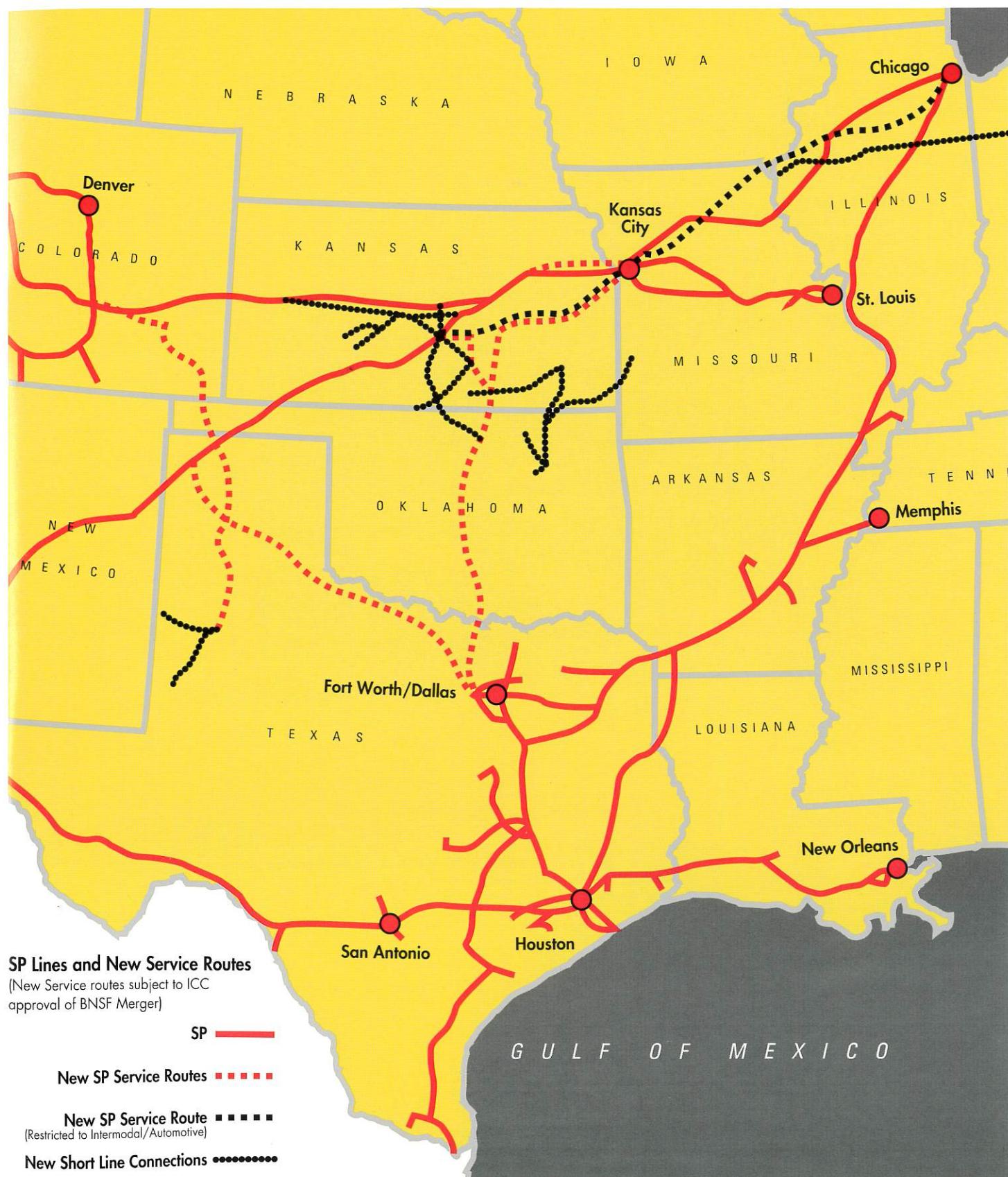
Southern Pacific will grant the combined BNSF:

★ Tackage rights for overhead traffic between El Paso and Topeka to provide BNSF additional capacity in that corridor, as well as access to all industries at Liberal and McPherson, Kan. and Hooker and Guymon, Okla. Interchange with other carriers is permitted at El Paso and Hutchinson, as well as at Vaughn, N.M., Stratford and Dalhart, and Hutchinson.

★ Haulage privileges between Caldwell and Eagle Pass, Tex., with the right to interchange with Ferrocarriles Nacionales de Mexico, and access to the Elmendorf Coal Facility at San Antonio.

While SP will not oppose the merger, it will continue to participate in the control case as necessary to oppose unwarranted conditions that may be sought by other parties.

SOUTHERN PACIFIC LINES



RETIREMENTS

G. Baldini <i>Machinist</i>	J.E. Gilmore <i>Clerk</i>	D.H. Lozo <i>Yardmaster</i>	A. Pedroza <i>Machinist</i>
U.C. Bermudez <i>Laborer</i>	R.L. Gonzalez <i>Motor Truck Operator</i>	F.J. Maio <i>Carman</i>	D.C. Price <i>Locomotive Engineer</i>
R.H. Berry <i>Chief Mechanical Officer</i>	H.W. Goodall <i>Brakeman</i>	H.C. Marone <i>Chief Yard Clerk</i>	D.R. Price <i>Train Clerk/Telegrapher</i>
A.R. Bryant <i>Brakeman</i>	C.W. Hairston <i>Clerk</i>	William McDonald <i>Diesel Mech. Supervisor</i>	M.O. Reyes <i>Carman Welder</i>
D.B. Candelaria <i>Machinist</i>	D.G. Hart <i>Locomotive Engineer</i>	J.L. McVey <i>Tie Handler Operator</i>	E.A. Roberts <i>Lead Signal Maintainer</i>
M.G. Cassidy <i>Electrician</i>	L.R. Hinkle <i>Road Foreman of Engines</i>	R.L. Merrifield <i>Signal Maintainer</i>	W.J. Roman <i>Account Executive</i>
S. Contreras <i>Sr. Accounting Clerk</i>	M.E. Hotaling <i>Equipment Installer</i>	D.R. Miller <i>Lead Travel Mechanic</i>	J.A. Sanders <i>Welder</i>
R. Cooper <i>Maint. of Way</i>	J.L. Hughes <i>Foreman</i>	M.A. Miller-Gober <i>Timekeeper</i>	B.G. Timberlake <i>Electrician</i>
G. Espinoza <i>Locomotive Engineer</i>	L. Johnson <i>Foreman</i>	L.J. Mills <i>Machinist</i>	J.R. Vargas <i>Roadmaster</i>
A.J. Finger Jr. <i>Brakeman</i>	R.L. Johnson <i>Boilermaker</i>	K.V. Neff <i>Electrician</i>	M.J. Verret <i>Freight Carman Welder</i>
E.R. Fish <i>Train Clerk</i>	R.R. Johnson <i>Brakeman</i>	D.L. Nichols <i>Locomotive Engineer</i>	
A.A. Fuentez <i>Laborer</i>	B.P. Jones <i>Diesel Mechanic</i>	H.D. Norris <i>Brakeman</i>	D.R. Voris <i>Roadmaster</i>
J.G. Garcia <i>Carman Welder</i>	M.R. Langrell <i>Carman Welder</i>	J.R. Orozco <i>Assistant Foreman</i>	L.H. Waits <i>Brakeman</i>
E.H. Gentry Jr. <i>Locomotive Engineer</i>	C.R. Lankford <i>Chief Crew Dispatcher</i>	L. Ortiz <i>Brakeman</i>	J.R. Wise <i>Signal Foreman</i>
	H.E. Lopez <i>Carman</i>	A. Paul Sr. <i>Brakeman</i>	

NEWS BRIEFS

Parsons Named Executive VP-Operations

Larry R. Parsons was named Executive Vice President-Operations, effective June 1. He will report to Chairman and CEO Jerry Davis and be in charge of all rail operating functions. Parsons, 55, started in railroading 37 years ago with Union Pacific and most recently was President and CEO of the regional Wheeling & Lake Erie Railway Co. In other recent appointments, Michael S. Galardi became Vice President of Marketing and Sales, succeeding Michael Uremovich who left the company, and James H. Wagner was promoted to Chief Mechanical Officer. A 33-year employee of SP, Wagner had been Assistant CMO since 1993.

Tie Gang Sets Records

An all-time high for tie installation in a single day was set this spring by Tie Gang No. 3 — twice. On March 9, the 53-member gang installed 3,000 ties in 6 hours and 20 minutes, working at Steins, N.M., west of Lordsburg. That compares with the 700 or 800 ties a day that used to be considered a very respectable performance. The record lasted until April 12, when Gang No. 3 put in 3,025 ties in a day. Don Walker and Joe Romero are the supervisors on Tie Gang No. 3 and Larry Roundsville is foreman. "It's just an excellent gang," commented Bob Davis, Tie Production Manager-System.



—Don Sims

Brakeman Dies in Accident

Brakeman A.J. Boggio was fatally injured April 21 while working the San Gabriel local near City of Industry, Los Angeles Division. During a switching move, he was struck by the lead car of a cut of cars. Boggio, 55, of LaVerne, Calif., was the first employee to die in an on-duty accident in 1995. He had worked for SP since 1971.

Intermodal Integrated

All intermodal operations have been brought together in one unit, headquartered at the Lincoln Street Building in Denver. Formerly, intermodal sales and marketing, terminal operations, and other activities were separate functions or were part of other departments. "The reorganization gives us the ability to be more responsive to our customers and to each other internally," said Vice President-Intermodal Pete Ruotsi. He announced that Charles Bishop had been named General Manager-Intermodal Terminal Operations, a new position.

ICTF Sets Records

The Intermodal Container Transfer Facility at Long Beach-Los Angeles Harbor set two one-day productivity records recently, Senior Terminal Manager Herman Madden reported. Crews accomplished 2,624 container lifts, eclipsing the old mark of 2,483 set in 1994. A new standard for number of lifts in an 8-hour period also was set, 1,004.

Merchandise Discounts

Various SP merchandise items are now being offered at discount prices, Hermann Marketing announced. Products on sale range from fishing kits to jackets and T-shirts with the SP logo. Orders may be placed, and more information obtained, by calling 1-800-325-1965.

Railroad Market Share Rebounds

Freight railroads have halted a long-term market share decline and hold a 38% share of inter-city ton miles for the first time since 1981. Productivity improvements by employees and in equipment and facilities are credited with the turnaround, the Association of American Railroads reported.



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no service is so urgent,
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take the time
to perform
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